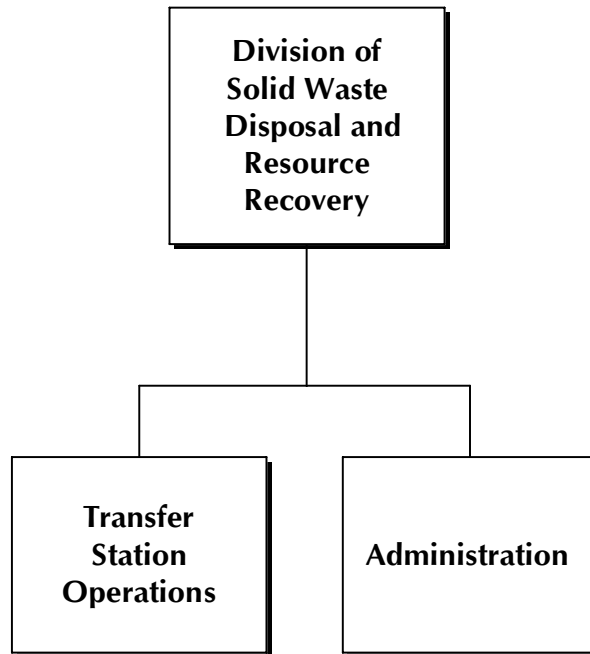


Fund 110

Refuse Disposal



Mission

To protect Fairfax County citizens against disease, pollution and other contamination associated with the improper disposal of refuse, through safe and sanitary transportation of solid waste from the I-66 Transfer Station to the I-95 Sanitary Landfill and the Energy/Resource Recovery Facility (E/RRF). The agency also transports debris generated through the Yard Waste program to disposal facilities in Prince William and Loudoun Counties. In addition, this agency operates the Household Hazardous Waste program and the Citizen's Disposal Facilities, including all associated technical and administrative functions.

Focus

Fund 110, Refuse Disposal, has the primary responsibility for coordinating the disposal of solid waste generated within Fairfax County by channeling the collected refuse to the E/RRF. Refuse that cannot be burned in the E/RRF is directed to a landfill or disposed of through a contractor. Yard debris is transported to Prince William County or a private compost facility. Other operations coordinated within this fund are the Citizen's Disposal Facilities (CDF), the Household Hazardous Waste (HHW) program, the Ordinance Enforcement program, the White Goods program and the Battery program. The Administrative Cost Center performs the tasks associated with the overall administrative, technical and management functions for those funds that comprise the Division of Solid Waste Disposal and Resource Recovery. These funds are: 110, Refuse Disposal; 112, E/RRF; and 114, I-95 Refuse Disposal.

The County's solid waste disposal program has come under significant financial pressure due to a number of factors, most notably the adverse 1994 United States Supreme Court decision affecting solid waste flow control which allows waste to be hauled out of the County for disposal, as well as the development of several large landfills within Virginia and in neighboring states which are less expensive disposal options than those offered by the County. Under the current industry environment, the County has implemented a competitive pricing system. The pricing has proved to be sufficient to cover a majority of disposal costs, however public interest and non-revenue generating programs must be funded through a General Fund transfer to subsidize the fund. The FY 2008 General Fund transfer remains unchanged at \$2.5 million. In FY 2008, the system disposal charge is set at \$52 per ton, an increase of \$2 over FY 2007. The Citizen Disposal Facility system fee will remain at \$57 per ton. In order to generate sufficient revenue to cover operational requirements in FY 2008, a contractual disposal rate for FY 2008 will be negotiated with private waste haulers but is anticipated to be \$49.95 per ton, an increase of \$3 over the \$46.95 per ton total in FY 2007. Revenue

Fund 110

Refuse Disposal

increases are therefore projected based on this disposal charge increase. The total FY 2008 revenue for the fund is projected to be \$61,753,572, an increase of \$1,908,616 or 3.2 percent over the FY 2007 Adopted Budget Plan total of \$59,844,956.

Agency accomplishments, new initiatives and performance measures are displayed at a program-wide level. Please refer to the Solid Waste Management Program Overview in Volume 2 of the FY 2008 Adopted Budget Plan for those items.

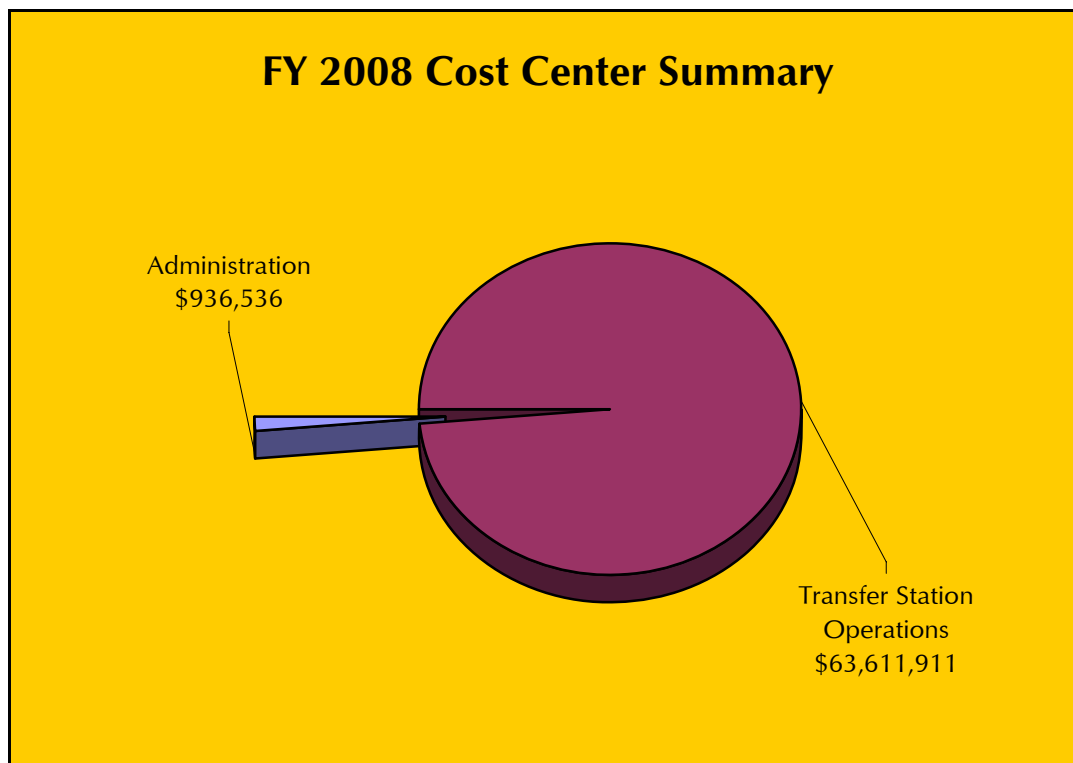
Budget and Staff Resources

Agency Summary					
Category	FY 2006 Actual	FY 2007 Adopted Budget Plan	FY 2007 Revised Budget Plan	FY 2008 Advertised Budget Plan	FY 2008 Adopted Budget Plan
Authorized Positions/Staff Years					
Regular	138/ 138	138/ 138	138/ 138	138/ 138	138/ 138
Expenditures:					
Personnel Services	\$8,461,471	\$9,093,837	\$9,093,837	\$9,613,710	\$9,613,710
Operating Expenses	47,024,884	52,996,109	53,095,346	53,087,129	53,087,129
Capital Equipment	2,526,612	1,708,800	2,552,157	2,497,600	2,497,600
Capital Projects	132,183	2,800,000	4,216,690	0	0
Subtotal	\$58,145,150	\$66,598,746	\$68,958,030	\$65,198,439	\$65,198,439
Less:					
Recovered Costs	(\$520,114)	(\$573,776)	(\$573,776)	(\$649,992)	(\$649,992)
Total Expenditures	\$57,625,036	\$66,024,970	\$68,384,254	\$64,548,447	\$64,548,447

Summary by Cost Center					
Category	FY 2006 Actual	FY 2007 Adopted Budget Plan	FY 2007 Revised Budget Plan	FY 2008 Advertised Budget Plan	FY 2008 Adopted Budget Plan
Administration	\$782,868	\$924,124	\$924,124	\$936,536	\$936,536
Transfer Station Operations	56,709,985	62,300,846	63,243,440	63,611,911	63,611,911
Subtotal	\$57,492,853	\$63,224,970	\$64,167,564	\$64,548,447	\$64,548,447
Capital Projects	\$132,183	\$2,800,000	\$4,216,690	\$0	\$0
Total Expenditures	\$57,625,036	\$66,024,970	\$68,384,254	\$64,548,447	\$64,548,447

Position Summary					
<u>Administration</u>		<u>Transfer Station Operations</u>			
1	Director, DSWDRR	1	Supervisor of Facilities Support	1	Welder II
1	Deputy Director/Engineer IV	5	Assistant Refuse Superintendents	17	Maintenance Workers
2	Engineers II	3	Heavy Equipment Supervisors	1	Maintenance Trade Helper II
1	Management Analyst III	1	Management Analyst II	1	Administrative Assistant II
1	Management Analyst II	6	Engineering Technicians II		
1	Network/Telecom Analyst II	2	Engineering Technicians I		
1	Accountant II	3	Environmental Technicians II		
1	Administrative Assistant IV	8	Weighmasters		
4	Administrative Assistants III	71	Heavy Equipment Operators		
1	Administrative Assistant II	1	Motor Equipment Operator		
		3	Senior Maintenance Workers		
<u>TOTAL POSITIONS</u>					
138 Positions / 138.0 Staff Years					

Fund 110 Refuse Disposal



FY 2008 Funding Adjustments

The following funding adjustments from the FY 2007 Revised Budget Plan are necessary to support the FY 2008 program:

- ◆ **Employee Compensation** **\$443,657**
An increase of \$519,873 in Personnel Services is associated with salary adjustments necessary to support the County's compensation program partially offset by an increase of \$76,216 in Recovered Costs reflecting increased recovery of salary costs.
- ◆ **Operating Expenses** **(\$325,849)**
A decrease of \$325,849 in Operating Expenses includes \$132,594 for one-time expenses as part of the FY 2006 Carryover Review and a decrease of \$193,255 primarily for disposal charges based on the most recent estimates for waste disposal requirements.
- ◆ **Intergovernmental Charges** **\$284,275**
An increase of \$284,275 for Department of Vehicle Services charges is based on anticipated charges for fuel, vehicle replacement and maintenance costs.
- ◆ **Capital Equipment** **\$2,497,600**
Funding of \$2,497,600 has been included for Capital Equipment for the replacement of items that have outlived their useful lifespan based on age, mileage and repair costs. Of the funding for replacement items, \$581,000 is for the replacement of seven refuse trailers, \$625,000 for the replacement of five road tractors, \$116,600 for the replacement of three pick-up trucks, \$525,000 for the replacement of three stationary cranes and \$650,000 is for the replacement of one tub grinder. Purchase expenses will be partially offset by \$256,000 in revenue associated with sale of the equipment being replaced.

Fund 110

Refuse Disposal

Board of Supervisors' Adjustments

The following funding adjustments reflect all changes to the FY 2008 Advertised Budget Plan, as approved by the Board of Supervisors on April 30, 2007:

- ◆ The Board of Supervisors made no adjustments to this fund.

Changes to FY 2007 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2007 Revised Budget Plan since passage of the FY 2007 Adopted Budget Plan. Included are all adjustments made as part of the FY 2006 Carryover Review and all other approved changes through December 31, 2006:

- ◆ **Carryover Adjustments** **\$2,359,284**
As part of the FY 2006 Carryover Review, the Board of Supervisors approved encumbered carryover of \$942,594 including \$132,594 in Operating Expenses and \$810,000 in Capital Equipment as well as \$1,416,690 in unexpended capital project balances. A subsequent reallocation of \$27,000 from Operating Expenses to Capital Equipment was approved to replace a damaged vehicle.

The following funding adjustments reflect all approved changes to the FY 2007 Revised Budget Plan from January 1, 2007 through April 23, 2007. Included are all adjustments made as part of the FY 2007 Third Quarter Review:

- ◆ The Board of Supervisors made no adjustments to this fund.

A Fund Statement and a Summary of Capital Projects are provided on the following pages. The Summary of Capital Projects may include some projects without a Total Project Estimate amount. These projects are considered "continuing" projects or projects for which funding is necessary on an ongoing basis (e.g., a contingency or planning project).

Fund 110

Refuse Disposal

FUND STATEMENT

Fund Type G10, Special Revenue Funds

Fund 110, Refuse Disposal

	FY 2006 Actual	FY 2007 Adopted Budget Plan	FY 2007 Revised Budget Plan	FY 2008 Advertised Budget Plan	FY 2008 Adopted Budget Plan
Beginning Balance	\$9,237,634	\$5,730,812	\$9,306,853	\$3,267,555	\$3,267,555
Revenue:					
Interest on Investment	\$518,005	\$149,225	\$149,225	\$154,040	\$154,040
Refuse Disposal Revenue	53,332,046	58,578,677	58,578,677	60,293,510	60,293,510
Miscellaneous Revenue:					
White Goods	405,036	427,000	427,000	425,022	425,022
Rent of Equipment, Space	355,432	292,354	292,354	360,000	360,000
Sale of Equipment	307,725	245,700	245,700	256,000	256,000
Licensing Fees	45,200	42,000	42,000	50,000	50,000
Miscellaneous	230,811	110,000	110,000	215,000	215,000
Subtotal	\$1,344,204	\$1,117,054	\$1,117,054	\$1,306,022	\$1,306,022
Total Revenue	\$55,194,255	\$59,844,956	\$59,844,956	\$61,753,572	\$61,753,572
Transfers In: ¹					
General Fund (001)	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000
Total Transfers In	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000
Total Available	\$66,931,889	\$68,075,768	\$71,651,809	\$67,521,127	\$67,521,127
Expenditures:					
Personnel Services	\$8,461,471	\$9,093,837	\$9,093,837	\$9,613,710	\$9,613,710
Operating Expenses	47,024,884	52,996,109	53,095,346	53,087,129	53,087,129
Capital Equipment	2,526,612	1,708,800	2,552,157	2,497,600	2,497,600
Recovered Costs	(520,114)	(573,776)	(573,776)	(649,992)	(649,992)
Capital Projects	132,183	2,800,000	4,216,690	0	0
Total Expenditures	\$57,625,036	\$66,024,970	\$68,384,254	\$64,548,447	\$64,548,447
Total Disbursements	\$57,625,036	\$66,024,970	\$68,384,254	\$64,548,447	\$64,548,447
Ending Balance²	\$9,306,853	\$2,050,798	\$3,267,555	\$2,972,680	\$2,972,680
Reserves:					
Equipment Reserve ³	\$1,843,204	\$2,002,138	\$2,019,113	\$2,015,907	\$2,015,907
Environmental Reserve ⁴	1,000,000	0	0	0	0
Construction Reserve ⁵	6,348,528	0	1,199,684	892,806	892,806
PC Replacement Reserve	34,366	48,660	48,758	63,967	63,967
Unreserved Balance	\$80,755	\$0	\$0	\$0	\$0
Disposal Rate/Ton	\$48.00	\$50.00	\$50.00	\$52.00	\$52.00
Discounted Disposal Rate/Ton ⁶	\$44.95	\$46.95	\$46.95	\$49.95	\$49.95

Fund 110

Refuse Disposal

¹ The General Fund Transfer provides a subsidy allowing the County to continue to provide specific refuse disposal programs that do not fully recover costs. Subsidized programs include the County's Recycling Program, the Household Hazardous Waste Program, the Citizen Disposal Facilities and the Code Enforcement Program.

² Ending balance fluctuations are a result of operating and revenue requirements that change annually. Funding is carried forward each fiscal year to provide flexibility given the uncertainty of market conditions, tipping fee negotiations, and expenditure requirements.

³ The Equipment Replacement Reserve provides for the timely replacement of equipment required to operate the I-66 Transfer Station. Funds are transferred from Refuse Disposal revenue to the Equipment Replacement Reserve, as are proceeds from the sale of equipment. The reserve requirement is based on a replacement schedule, comprised of yearly payments to the reserve, which is based on the useful life of the vehicle/equipment. The yearly estimated reserve amount includes the annual portion of the replacement cost for new vehicles/equipment, and continued contributions for previously acquired vehicles/equipment for which the replacement requirement has not been met.

⁴ The Environmental Reserve provides contingency funds for future environmental control projects at the I-66 Transfer Station.

⁵ The Construction Reserve provides for improvements at the I-66 Transfer Station. Planned projects include redesign and reconstruction of the Citizens Disposal Facility and expansion of employee facilities.

⁶ In August 1998 (FY 1999), Fairfax County implemented a contractual rate discount that was offered to any hauler that guaranteed all of its collected refuse or a specified tonnage amount would be delivered to the Energy/Resource Recovery Facility (E/RRF) or other County disposal sites. The FY 2007 discounted rate is \$46.95 per ton, and the rate is projected to increase to \$49.95 per ton in FY 2008 subject to market conditions and negotiations.

Fund 110

Refuse Disposal

FY 2008 Summary of Capital Projects

Fund: 110 Refuse Disposal

Project #	Description	Total Project Estimate	FY 2006 Actual Expenditures	FY 2007 Revised Budget	FY 2008 Advertised Budget Plan	FY 2008 Adopted Budget Plan
174002	I-66 Transfer Station Expansion	\$13,464,900	\$96,563.20	\$749,368.98	\$0	\$0
174003	Drainage Downchutes	188,000	0.00	3,821.39	0	0
174004	Access Road Reconstruction	233,600	0.00	193,785.00	0	0
174005	Groundwater Well Installation	177,213	0.00	40,788.24	0	0
174006	Citizens Disposal Facility	3,774,875	35,620.07	3,228,925.89	0	0
Total		\$17,838,588	\$132,183.27	\$4,216,689.50	\$0	\$0